derivative of the extracellular domain of the B7 antigen.

--5. (Amended) The method of claim [4] 3, wherein said fragment is a polypeptide having an amino acid sequence containing amino acid residues from about position 1 to about position 215 of the amino acid sequence corresponding to the extracellular domain of B7 antigen.

--6. (Amended) The method of claim [4] 3, wherein said derivative comprises a fusion polypeptide having a first amino acid sequence corresponding to the extracellular domain of B7 antigen and a second amino acid sequence corresponding to a moiety that alters the solubility, affinity and/or valency of said B7 antigen for binding to the CD28 receptor.

--15. (X2 Amended) The method of claim 1 further comprising adding [anti-CD2 or] anti-CD3 antibody to co-react with said T cells.

--19. (Amended) A method of regulating functional T cell responses of CD28 positive T cells comprising reacting B7 positive cells with a ligand reactive with B7 antigen.

--21. (X2 Amended) The method of claim 19, wherein the ligand is a Fab fragment of a monoclonal antibody reactive with B7 antigen and CD 28 positive T cell responses are inhibited.

--25. (Amended) A monoclonal antibody reactive with a B7Ig fusion protein comprising a polypeptide having a first amino acid sequence containing amino acid residues from about position 1 to about position 215 of the

amino acid sequence corresponding to the extracellular domain of B7 antigen and a second amino acid sequence corresponding to the hinge, CH2 and CH3 regions of human immunoglobulin Cγ1.

--26. (Amended) The method of claim 19 wherein said ligand is CD28 receptor and said CD28 positive T cell responses are inhibited.

--35. (Amended) A method for preventing the binding of the CD28 receptor to the B7 antigen so as to inhibit functional T cell responses comprising contacting CD28 positive T cells with an anti-CD28 monoclonal antibody which recognizes and binds [to the CD28 receptor] a determinant site to which the monoclonal antibody 9.3 is directed so as to prevent binding of the receptor to the B7 antigen.

--41. (Amended) The method of claim 35, wherein said ligand reactive with CD28 receptor is a fragment or derivative of the extracellular domain of the B7 antigen.

--42. (Amended) The method of claim 41 wherein said derivative is a B7Ig fusion protein comprising an amino acid sequence containing amino acid residues from about position 1 to about position 215 of the amino acid sequence corresponding to the extracellular domain of B7 antigen.

--47. (X2 Amended) The method of claim 77, wherein said ligand contains a portion of the extracellular domain of the B7 antigen having an amino acid sequence containing amino acid residues from about position 1 to about position 215 of the amino acid sequence

C10 Cont

corresponding to the extracellular domain of B7 antigen.

C11

--49. (Amended) The method of claim [48] 47, wherein said B7Ig fusion protein is B7Ig corresponding to the amino acid sequence encoded by DNA having ATCC No. 6862.

C12

--52. (X2 Amended) A method for treating a subject with a[n immune] disease [mediated by] associated with the interaction of B7 with CD28 positive T cells [interactions with B7 positive cells] comprising administering to the subject a ligand for CD28 receptor which contains a portion of the extracellular domain of the B7 antigen to regulate the functional T cell response and a pharmaceutically acceptable carrier.

C13

--59. (Amended) A method for treating cancer [associated with] mediated by the interaction of B7 with CD28 positive T cells [expression of B7 antigen in vivo] comprising administering to a subject a ligand reactive with B7 antigen.

C14

--63. (Amended) A method for inhibiting CD28 positive T cell proliferation in graft versus host disease comprising contacting CD28 positive T cells with a ligand for CD28 receptor and an immunosuppressant.

C15

--77. (Amended) A method for regulating the level of a cytokine in vivo comprising administering to a subject a ligand which contains a portion of the extracellular domain of the B7 antigen reactive with a CD28 receptor to bind the CD28 receptor and inhibit the production of the cytokine by the T cells.--

REMARKS